access to a large number of enterprises in the country.

(b) whether Government would continue to extend 100 percent refinance after enhancement of the ceiling of Rs. 20 lakh under single window scheme to commercial banks to enlarge the flow of assistance as per the new liberal policy for small sector to eradicate unemployment and generation of more employment; and

(c) if the reply to part (a) above be in the negative, what are the reasons for delay in issue of notification incorporating the enhancement through Banks and what are the financial loss for not extending 100 percent refinance to commercial banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) The matter is under consideration of the Government.

Cut in Defence Expenditure

@@1042. KUMARI CHANDRIKA PREMJI KENIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the Hindustan Times dated the 29th October, 1991 regarding pressure from the International Monetary Fund for bringing down the defence spending; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) There is no pressure whatsoever on India from the International Monetary Fund for bringing down its defence spending.

(b) Does not arise.

@@Previously Unstarred Question 712 Transferred from 28th November, 1991.

Guidelines followed by Financial Institutions Regarding Loans to small entrepreneurs

1043. SHRI T. CHANDRASEKHAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether there are any guidelines for financial institutions in considering applications from small entrepreneurs for the grant of loans to enable them to set up their industries;

(b) whether different guidelines are adopted in respect of different categories of entrepreneurs; and

(c) if so, what are the reasons for giving such differential treatment to the entrepreneurs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) No, Sir.

(b) and (c) Do not arise.

Bond Schemes at Central and State Levels

1044. SHRI JAGADISH JANI: Will the Minister of FINANCE be pleased to state:

(a) what are the different kind of bond schemes introduced by Government both at the Central level as well as the State level;

(b) the purpose behind the introduction of those bond schemes;

(c) whether any review has been made on the success of those schemes; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) and (b) Normally Central and State Governments borrow through market loans floated from time to time. Special bonds are issued from time to time for a specific purpose. Some of these bonds are sold for a limited period e.g., Special Bearer Bonds issued to tap unaccounted money, NRI Bonds to tap foreign exchange resources. Compensation

bonds are issued for payment of compensation on acquisition of property etc. Two bonds which are currently on tap are National Rural Development Bonds (Second Issue) to provide investment opportunity to persons who wish to avail of Income-tax exemption on capital gains and 9 per cent Relief Bonds 1987 floated initially to raise resources for drought relief.

(c) and (d) The success of the continuing bond schemes is measured by periodic reviews of the amounts realised.

1045. [*Transferred to 4th December, 1991*]

Foreign Exchange Earnings

1046. SHRI JAGADISH JANI: Will the Minister of FINANCE be pleased to state:

(a) what is the target set for foreign exchange earning in the year 1991-92;

(b) the achievement actually made so far;

(c) whether there is a sharp decline in the earning of foreign exchange so far during the current year;

(d) if so, the reasons therefor; and

(e) the steps taken to improve the position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No target is set for foreign exchange earnings for the year 1991-92 or for any year.

(b) Does not arise.

(c) Foreign exchange is earned on a number of accounts and the overall impact on Ballance of Payments is reflected in the level of reserves, which declined to a low level of Rs. 2265 crores on 1st July, 1991 from a level of Rs. 4388 crores at end March, 1991 and subsequently increased to Rs. 6953 crores by 28th October, 1991.

(d) Fall in reserves is attributed to a number of factors most important being level of imports|exports, net invisibles, inflow on account of NRI deposits and external commercial borrowings.

(e) The steps taken by the Government to improve the balance of payments situation and foreign exchange reserves level include macro economic estabilisation in the short run through exchange rate adjustment, restoration of fiscal discipline and tight monetary policy, together-with structural reforms in trade policy and industrial policy.

Customs duty on synthetic waste

1047. SHRI SAMAR MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether Government had announced during that last budget proposals that maximum rates of duties have been brought down to 150 per cent; and

(b) if so, how customs duty on synthetic waste falling under 555.10 subject to a custom duty of 100 per cent plus Rs. 30/- per Kg. plus countervailing duty of approximately Rs. 10/- per Kg.?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR: (a) and (b) The Finance Minister, while presenting the Budget for the year 1991-92, had announced in the Parliament that it was proposed to reduce the *ad-valorem* rate of basic plus auxiliary duties of customs to a maximum of 150 per cent where it was more than that rate, thereby eliminating the tariff peaks above 150 per cent.

This statement of the Finance Minister was regarding reduction of *ad-valorem* duties alone and as such the *ad-valoram* component of import duty on synthetic waste was brought down to 150 per cent without any change in the specific component of duty.